

VZCZCXYZ0015
RR RUEHWEB

DE RUEHRB #0621/01 2011656
ZNR UUUUU ZZH
R 201656Z JUL 09
FM AMEMBASSY RABAT
TO RUEHC/SECSTATE WASHDC 0457
INFO RUEHCL/AMCONSUL CASABLANCA 4676
RUEHRC/DEPT OF AGRICULTURE WASHDC
RUCPDO/DEPT OF COMMERCE WASHDC

UNCLAS RABAT 000621

SIPDIS
SENSITIVE

STATE FOR EEB/TPP, NEA/PI AND NEA/MAG
STATE PLEASE PASS USTR (WILSON AND BURKHEAD)
STATE PLEASE PASS COMMERCE (MASON) AND CLDP (TEJTEL AND
ELKSTOUF)

E.O. 12958: N/A
TAGS: [ETRD](#) [ECON](#) [ECIN](#) [EAGR](#) [MO](#)
SUBJECT: TRADE EXPERTS ADVISE EXPORTERS ON FTA OPPORTUNITIES

REF: A. RABAT 0271
[1](#)B. RABAT 0276

[1](#)1. (SBU) Summary: Minister of Foreign Trade Abdellatif Maazouz and Charge d, Affaires, a.i., Robert Jackson opened the Department of State,s (DOS,) Middle East Partnership Initiative- (MEPI-) sponsored "Maximizing Trade with the U.S." seminar on June 9 in Casablanca. Presenters explained U.S. market expectations, technical requirements for exporting to the U.S., how to use commercial partnerships and organizations as bridges between the U.S. and Moroccan markets, and marketing the "Moroccan story" abroad. The audience asked questions focusing on sanitary certification and port requirements, and commented on their companies' experiences. While the seminar was much appreciated by Moroccan contacts, the wide range of topics was covered in too little time, and content at times veered from the objective, suggesting the need for closer program control by MEPI and the Mission for future events. The Mission appreciates MEPI support for this public outreach event, which responded to Government of Morocco (GOM) and private sector requests for practical information that would allow them to take greater advantage of the Free Trade Agreement (FTA). We hope to build on this event by continuing to improve businesses, willingness to increase commercial links with the U.S. End Summary.

EXPORTERS SEEKING ADVICE

[1](#)2. (U) Despite the growth in bilateral trade sparked by the entry into force of the U.S.-Morocco Free Trade Agreement (FTA), contacts at the Ministry of Foreign Trade (MFT), the General Confederation of Moroccan Enterprises (CGEM), and Moroccan businesses have consistently expressed their desire for outreach and assistance to help Moroccan businesses overcome perceived obstacles to exporting to the U.S. Small and medium-size enterprises (SMEs) are afraid of the U.S. market, noted MFT's Head of Bilateral Trade Souad Bennani on several occasions, and need reassurance on how to penetrate such a large market. Bennani has advocated more targeted assistance directly aimed at SMEs. In March 2009, EconOff met with CGEM Commission Label President Abdemalek Kettani to discuss ways to assist Moroccan businesses to take advantage of the opportunities offered by the FTA. "Businesspeople need practical information on how to create more export, import and investment opportunities under the FTA," asserted Kettani.

[1](#)3. (U) In response to these requests, the Mission coordinated with MEPI, the Department of Commerce (DOC), and

the Office of the U.S. Trade Representative (USTR) to develop an outreach seminar to demystify the process of exporting to the U.S., providing local businesses with the knowledge and tools they would need to develop commercial ties with American partners. In addition to publicly promoting the advantages of the FTA, this event advanced the MEPI objective of strengthening economic reforms by promoting good business practices in small and medium-size enterprises. This seminar was one of four similar events arranged with Arab FTA partners in the Middle East and North Africa (Morocco, Jordan, Bahrain and Oman) to address the technical concerns common to our FTA partners.

HIGH INTEREST IN THE SEMINAR

14. (U) Over 200 public and private sector representatives attended the June 9 seminar, co-sponsored by Maroc Export (the Moroccan Center for Export Promotion) and the American Chamber of Commerce (AmCham). Minister Maazouz and the Charge looked forward in their remarks to "seeing Moroccan and American businesses create effective partnerships to attract investment and take advantage of the FTA's opportunities." The first two panels emphasized how businesses could use the FTA as a tool for success. Post's Regional Agricultural Attache, Hassan Ahmed, asserted that a key market problem for Morocco continues to be the lack of promotion for its products in the U.S. market. Jeff Povolny, Chief of Party for USAID's New Business Opportunities Program, noted that Jordan and Egypt currently have a competitive advantage because they cater specifically to the U.S. market. He concluded that investing in middle management and marketing professionals with English skills and increasing market integration will be key to Morocco's success.

TRADE RESOURCES

15. (U) Other presentations outlined processes and resources necessary to export goods to the U.S. Panelists included Maroc Export, Society of Moroccan Export Insurance (SMAEX), Foreign Commercial Service (USFCS), U.S. Trade and Development Agency (USTDA), Department of Agriculture/Animal and Plant Health Inspection Service (USDA/APHIS), and the Moroccan-American Trade and Investment Center. These panelists discussed with attendees topics such as advocacy for partnerships, APHIS import approval processes, and different programs and organizations, such as AmCham, that assist companies to export to the U.S. Several Moroccan participants raised technical questions and voiced their frustrations with the long wait times required for sanitary certifications of consumable products, as well as a general misunderstanding of U.S. agricultural regulations.

GETTING MOROCCO READY FOR THE U.S. MARKET

16. (U) Trade experts from the International Executive Service Corps summarized the information provided throughout the seminar and advocated internet social networking. Presenters explained the technological expectations of potential U.S. partners, and endorsed the use of business plan software. DOC North Africa Desk Officer Nathaniel Mason stressed that the keys to successful implementation of an FTA are market research, providing complete and timely information to regulatory organizations, and forming strong partnerships with U.S. companies and facilitating organizations.

LESSONS LEARNED: CONTENT CONTROL

17. (SBU) Comment: The seminar succeeded in presenting

useful technical information directly responding to public and private sector needs. However, participants assessed that its effectiveness was somewhat diminished by too many topics covered in too little time, and diversion from the intended content that distracted attendees from trade promotion. One outside presenter was expected to lead a discussion of labor rights standards and the business, trade, and societal benefits of upholding labor standards. However, the presenter used the occasion to sharply criticize Moroccan businesses for past practices. The intervention estranged the largely Moroccan audience, some of whom did not return to the remaining presentations. Future events would benefit from either a more narrow set of topics or an additional day to address the large number of issues. More detailed oversight of implementing contractors would ensure that content is appropriate to the audience and focused on the seminar objective.

18. (SBU) Comment Continued: The Maximizing Trade with the U.S. seminar attracted substantial interest from prospective exporters. Panelists did not shy away from frank discussion, including responding to pointed questions from participants and addressing head-on skeptical assessments of the FTA's effects (Ref B). The seminar successfully reinforced our message that the USG intends the FTA to be a mutually beneficial partnership, at a time when public commentary often questions the value of the FTA to Moroccan businesses. The Mission appreciates MEPI sponsorship of this conference, demonstrating USG commitment to Morocco's entrepreneur-led economic growth. Ultimately, the conference's success, like that of the FTA itself, will depend on how effectively private sector participants take advantage of the information shared during the event. End Comment.

Visit Embassy Rabat's Classified Website;
<http://www.intelink.sgov.gov/wiki/Portal:Moro> cco

Jackson